

EXHIBIT 123



Deposition of:
Kevin Corrigan

October 16, 2020

In the Matter of:
EIG v. Petrobras

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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

EIG ENERGY FUND XIV.L.P., et al.,)
) Civil Action No.
Plaintiffs,) 1:16-cv-333-APM
)
v.)
)
PETROLEO BRASILEIRO S.A., et al.,)
)
Defendants.)
-----)

- - -

FRIDAY, OCTOBER 16, 2020

- - -

30(B)(6) REMOTE ZOOM Deposition of EIG Energy
Fund XIV, L.P., EIG Energy Fund XIV-A, L.P., EIG
Energy Fund XIV-B, L.P., EIG Energy Fund XIV
(Cayman), L.P., EIG Energy Fund XV, L.P., EIG Energy
Fund XV-A, L.P., EIG Energy Fund XV-B, L.P., and EIG
Energy Fund XV (Cayman), L.P. (the Funds) by and
through its designee KEVIN CORRIGAN, beginning at
9:14 a.m., before Nancy J. Martin, a Registered Merit
Reporter, Certified Shorthand Reporter. All parties
appeared remotely.

1 Q. Okay. So let me ask you that. Are you
2 currently employed?

3 A. No.

4 Q. Okay. And who was your last employer?

5 A. EIG.

6 Q. And when did your employment with them end?

7 A. June 30, 2014.

8 Q. And at that point, you retired?

9 A. Correct.

10 Q. Okay. Have you done any consulting or other
11 paid work since June 30, 2014?

12 A. I did one approximately three-week assignment
13 for EIG on a solar power project that they were
14 developing in Chile. That was back about 2017, but
15 that's the only paid work I've done.

16 Q. Okay. And in terms of your employment by
17 EIG, can you tell me the years that you were employed
18 by EIG?

19 A. February of 2005 until June 30, 2014.

20 Q. And during that period of time, where were
21 you physically located? Where were your offices?

22 A. Well, when I was first hired, we had an

1 office in Tysons Corner, Virginia. You know,
2 Washington D.C., basically. And in mid-2006 that
3 office was closed down. It was part of TCW. I
4 should -- are you aware that, you know, EIG was an
5 offshoot of TCW that occurred in 2010?

6 So I say EIG for the 10 years, but it was
7 really TCW and then EIG.

8 Q. So let's clear that up. So TCW is the Trust
9 Company of the West?

10 A. Correct. Yes, based in Los Angeles.

11 Q. So you were first employed by TCW in February
12 of 2005?

13 A. That's correct. And EIG was the -- were the
14 initials for the Energy and Infrastructure Group
15 within TCW.

16 Q. And that group was spun off into a separate
17 company or series of companies in 2010?

18 A. Approximately 2010, yeah.

19 Q. Okay. Did that change your employment in any
20 way?

21 A. Really, for me, it was completely seamless.
22 I was doing the same thing. I was working with the

1 have had individual personal offices, but there wasn't
2 a separation between the companies in terms of
3 physical barriers?

4 A. I believe there was a wall --

5 MS. LAW: Kevin, could you please just give
6 me a chance to put objections in.

7 THE WITNESS: Oh. Sorry.

8 MS. LAW: There was an objection to form on
9 that.

10 BY MR. WOLINSKY:

11 Q. Go ahead.

12 A. There was a barrier of sorts that separated
13 Sete from these outsiders, if you will.

14 Q. And was that barrier a wall --
15 floor-to-ceiling wall?

16 A. Yes, that's my recollection.

17 Q. Okay. But you and Lakeshore shared office
18 space without such a barrier?

19 A. Correct.

20 Q. And the principal at Lakeshore was a
21 gentleman named Luiz Reis; is that right?

22 A. Reis, yes.

1 Hanover Trust Company. And from 1992 -- early '92 to
2 mid '94 with a joint venture that Chemical Bank had
3 there. By then Manufacturers Hanover and Chemical had
4 merged.

5 Q. So when you returned to live in Brazil in
6 2012, you had not lived there since 1994?

7 A. That is correct.

8 Q. Okay. Do you speak Portuguese fluently?

9 A. Reasonably fluently.

10 Q. Okay. Where do you live today?

11 A. Hedgesville, West Virginia.

12 Q. Okay. That sounds nice.

13 In terms of Lakeshore, what is your
14 understanding of Lakeshore's business?

15 A. They're a financial advisory firm.

16 Q. Okay. And do you know whether or not they
17 had a business relation- -- you mentioned they had a
18 business relationship with Sete. Can you tell me what
19 your understanding was of the business relationship
20 between Lakeshore and Sete?

21 A. I believe they were hired to assist Sete in
22 fund-raising primarily.

1 Q. Okay. And so tell me when did you first --
2 when did you first become aware of Project Sondas?

3 A. Right around this time. Clay and I had gone
4 to Brazil on a sort of marketing trip, if you will.
5 In the course of that, we met with Denis and several
6 other, you know, market players and potential clients,
7 et cetera.

8 Q. Okay. So do you remember what months you
9 went to Brazil with Mr. Taylor?

10 A. I think it was August. So maybe a couple
11 weeks before this E-mail.

12 Q. Okay. When you went to Brazil in August of
13 2010, did you meet with anybody specifically about the
14 Sete project?

15 A. Well, that's when I became aware of Sete, and
16 the first time I learned about it was when I visited
17 Banco Santander, and I visited an ex-colleague of mine
18 from a prior job. He and I worked together, and he
19 was on Santander's equity investment side. His name
20 is Luiz Cantidio. And he said, "Hey, this is
21 something you should take a look at. We're working on
22 this transaction with this new company that Petrobras

1 is setting up," et cetera et cetera. "By the way,
2 across the Chinese wall is our advisory group who have
3 been hired by Petrobras to advise them on this whole
4 transaction," and that's when he introduced me to Luiz
5 Reis.

6 Q. Okay. So in August 2010, you went to Brazil
7 and you met with Banco Santander; right?

8 A. Correct.

9 Q. And you met with an ex-colleague on the
10 equity -- on the equity side there named Luiz Cantio?

11 A. C-a-n-t-i-d-i-o.

12 Q. Got it. Is that correct?

13 A. Correct.

14 Q. And he made you aware of the Sete project; is
15 that right?

16 A. Right.

17 Q. Okay. But he wasn't personally working on
18 soliciting investors for that project; right?

19 A. No. Correct.

20 Q. Okay. In fact, you mentioned a Chinese wall.
21 People at Santander that were working on soliciting
22 investors for the project were walled off from your

1 ex-colleague right?

2 A. Correct.

3 Q. Did he actually physically introduce you to
4 Mr. Reis during the visit in August of 2010?

5 A. I think so. I mean it might have been later
6 that day or the next day, but yes.

7 Q. Okay. Was it -- and did you meet with him
8 and discuss Sete at that point?

9 MS. LAW: When you say, "him" --

10 MR. WOLINSKY: Mr. Reis.

11 THE WITNESS: Yes.

12 BY MR. WOLINSKY:

13 Q. Where -- were you in Santander's offices or
14 somewhere else?

15 A. Santander's offices.

16 Q. How long did you spend meeting with Mr. Reis
17 at that point?

18 A. The first meeting? Maybe 30 minutes.

19 Q. Okay. Was anybody else in the room besides
20 and you Mr. Reis?

21 A. And Clay.

22 Q. Anyone else besides the three of you?

1 A. I don't think so.

2 Q. Did Mr. Reis give you any documents at that
3 time?

4 A. No.

5 Q. Okay. All right. When you were in Brazil in
6 August of 2010, you said you also -- did you meet with
7 any -- did you discuss Sete Brasil with anybody else?

8 A. I don't believe so, no.

9 Q. Okay. Did you meet with anyone from
10 Petrobras?

11 A. No.

12 Q. Okay. You said you also met with your
13 colleague, Denis De Castro; is that correct?

14 A. Yeah. I don't know if I met with him that
15 trip, but I was in contact with Denis, yes.

16 Q. Okay. You then go on and say -- you tell
17 Mr. Taylor to "check out the websites to Petrobras,
18 Queiroz Galvao Oleo e Gas, and Odebrecht."

19 Do you see that?

20 A. Yes.

21 Q. Do you know why you were telling him to do
22 that?

1 Q. Okay. Are you familiar with a January 2010
2 memorandum as described here?

3 A. Was this Lakeshore or Santander on it? There
4 was also one from that Kaisha prepared, and I'm
5 getting a little confused between those two.

6 Q. Well, to be honest with you, I'm not sure
7 what this refers to, and that's what I'm trying to
8 understand from you. It says, "Petrobras sent EIG a
9 'Confidential Information Memorandum' dated January
10 2010." Now, we just talked about how you didn't
11 become focused on this transaction -- the existence of
12 the transaction until August or September, 2010.

13 So do you remember actually receiving a
14 confidential information memorandum dated January
15 2010?

16 A. I don't remember receiving it, but we had it
17 and we relied on it.

18 Q. Do you know how you received it?

19 A. My recollection -- we were getting most
20 things from Santander, and then later Lakeshore, in
21 their capacity as financial advisors to these two
22 companies.

1 Q. And so you don't know -- sitting here today,
2 speaking on behalf of EIG, you can't tell me when EIG
3 received the January 2010 confidential information
4 memorandum referenced in Paragraph 36?

5 MS. LAW: Objection to form.

6 THE WITNESS: I don't remember the date, no.

7 BY MR. WOLINSKY:

8 Q. And sitting here today, speaking on behalf of
9 EIG, you can't tell me how EIG -- from whom EIG
10 received the confidential information memorandum dated
11 January 2010; is that correct?

12 MS. LAW: Objection.

13 THE WITNESS: Yes.

14 BY MR. WOLINSKY:

15 Q. Okay. And you said but you relied on it. In
16 what way did you rely on it?

17 A. Well, we should really be talking about when
18 we got access to the data room because that's when we
19 had a lot of information on the transaction. By then,
20 we spent some time and decided that this was something
21 we wanted to pursue.

22 And so in that data room there was a ton of

1 information, and we relied on all of that for our
2 analysis and eventual approval of the investment.

3 Q. Okay. So do you know when you received
4 access to the data room?

5 A. I don't remember dates and times. So no. It
6 was shortly -- I guess in September or October of
7 2010.

8 Q. Okay. And is that -- who would have given
9 you access to the data room?

10 A. The financial advisors.

11 Q. Who from EIG would have been responsible for
12 reviewing documents in the data room?

13 A. Well, we had a team. Myself, Kevin Lowder,
14 Clay Taylor. We would have been the three primary
15 analysts.

16 Q. Is it right --

17 A. I'm sorry. We also hired external counsel to
18 help us review the contractual arrangement.

19 Q. Okay. And sitting here today, speaking on
20 behalf of EIG, can you tell me in what month you
21 received -- what month and year you received access to
22 the data room?

1 how to do that.

2 You may continue your deposition now.

3 MR. WOLINSKY: I would ask that you do that
4 rather than guiding the witness, Ms. Law. Thank you.

5 MS. LAW: I was not guiding the witness.

6 MR. WOLINSKY: You certainly were.

7 Q. Mr. Corrigan, I'm going to repeat the
8 question.

9 Sitting here, speaking on behalf of EIG, can
10 you tell me the year in which EIG received access to
11 the data room?

12 MS. LAW: Objection. Same objection.

13 THE WITNESS: I believe it was, you know,
14 towards the end of 2010.

15 BY MR. WOLINSKY:

16 Q. Okay. And it's the case -- isn't it the case
17 that the information in the data room changed and was
18 updated over time?

19 A. Yes. Usually things are added, models are
20 updated.

21 Q. Okay. And did EIG download the information
22 in the data room or look at it on-line or some other

1 way?

2 A. Well, we would have downloaded all of that
3 into our own system.

4 Q. Okay. Who would have been responsible for
5 that?

6 A. Probably Kevin Lowder or Clay Taylor. I'm
7 not sure who. But we had a shared drive within EIG
8 that everybody had access to and was working on deals.

9 MR. WOLINSKY: Okay. I'm just looking for
10 one more document. Bear with me.

11 (Pause in proceedings.)

12 MR. WOLINSKY: Okay. I'm going to introduce
13 Exhibit 5. Tell me when it shows up for you.

14 (Deposition Exhibit 5 was marked for
15 identification.)

16 BY MR. WOLINSKY:

17 Q. Okay. Can you now see the document?

18 A. Yes, I'm trying to read it.

19 Q. Okay. Tell me when you're ready.

20 (The witness reviewed Exhibit 5.)

21 THE WITNESS: Okay.

22 BY MR. WOLINSKY:

1 Q. Well, he says, "It's all in Portuguese."

2 Do you see that?

3 A. Okay.

4 Q. Yes? Okay. And so did Mr. Lowder speak

5 Portuguese?

6 A. No.

7 Q. Did Mr. Hayden speak Portuguese?

8 A. No. No. I was the only Portuguese speaker

9 in the group.

10 Q. Okay. Did you review all 30 folders worth of
11 data room material provided by Sete Brasil?

12 A. I don't recall, but I reviewed a lot of
13 information at the time.

14 Q. Okay. And did you take notes as to which
15 documents you reviewed?

16 A. No. I don't remember these things.

17 Q. Okay. Is there any record -- did you review
18 every document that was in the data room?

19 A. I don't recall. I would have reviewed the
20 great preponderance of it. I don't know if I reviewed
21 every single one.

22 Q. Is there anybody else besides you that would

1 have reviewed Portuguese language documents from the
2 data room?

3 A. Just the lawyers regarding the contractual
4 arrangements.

5 Q. Okay. And would -- in sitting here today, is
6 there any way for you to tell me whether -- which
7 documents you did review and which you didn't review
8 from the data room?

9 A. No. I can't tell you.

10 Q. All right. With respect -- going back to
11 Exhibit 3, Paragraph 36. In the January 2010
12 memorandum, can you tell me whether EIG reviewed that
13 document in the data room?

14 MS. LAW: Objection to form.

15 He can answer.

16 THE WITNESS: Well, as I said earlier, I
17 remember two big info memos. One prepared by
18 Petrobras and one prepared by Kaisha, and I certainly
19 read those through, too, thoroughly.

20 BY MR. WOLINSKY:

21 Q. Do you know what either of those, the January
22 2010 Petrobras memorandum referred to in Paragraph 36?

1 referring to a different document.

2 MR. WOLINSKY: Okay. I'm going to pull up
3 another document.

4 (Deposition Exhibit 6 was marked for
5 identification.)

6 THE WITNESS: Are we looking at Exhibit 6?

7 MR. WOLINSKY: I'm about to give you another
8 exhibit.

9 (Pause in proceedings.)

10 BY MR. WOLINSKY:

11 Q. Have you seen this document before?

12 A. Yes.

13 Q. Okay. Do you know when you first saw this
14 document?

15 A. I don't.

16 MR. WOLINSKY: Okay. Let me show you another
17 document.

18 (Deposition Exhibit 7 was marked for
19 identification.)

20 BY MR. WOLINSKY:

21 Q. Okay. I'm going to show you Exhibit 7.

22 A. Is this a new exhibit?

1 Q. Exhibit 7. Can you open that one and look at
2 it?

3 A. Yes.

4 MS. LAW: Robert, again, this exhibit appears
5 to have an attachment that's reflected on it. Do you
6 have the attachment to the E-mail?

7 MR. WOLINSKY: Yes. It's Exhibit 6.

8 MS. LAW: Thank you.

9 THE WITNESS: Okay. This is October 2010.

10 BY MR. WOLINSKY:

11 Q. Do you see, it says, "Dear Kevin and Clay,
12 "Please find attached a couple slides with a
13 brief summary of Petrobras' Pre-salt Oil Rigs.

14 "Kind regards,

15 "Ivan Hong."

16 A. Correct.

17 Q. Okay. And then he attached what's Exhibit 6,
18 which is a slide show that we reviewed a moment ago.

19 A. Right.

20 Q. Does this refresh your recollection as to
21 when you first saw Exhibit 6?

22 A. Yes, this would have been the first time.

1 Q. Okay. Do you know why Mr. Hong sent you
2 these slides at this time?

3 A. Again, we were in contact with the advisor of
4 Petrobras and trying to get our arms around this
5 transaction in October of 2010.

6 Q. What does it mean to get your arms around it?

7 A. At that point we hadn't decided -- well,
8 there were two things. 1, were we able to get into
9 the transaction, and 2, did we want to get into the
10 transaction. You had to deal with those issues.

11 So this is very much an exploratory thing
12 where we're just getting our arms around the deal.

13 Q. Okay. And did you ask Mr. Hong to send this
14 information?

15 A. I probably would have. In the course of
16 discussions about the transaction, he probably said,
17 "Hey, here's something that I can send you that will
18 give you a little summary."

19 And we said, "Thank you."

20 Q. Okay. And was it enough information for you
21 to make an investment decision? Enough information to
22 make an investment decision?

1 A. Oh, no. No. This would be scratching the
2 surface.

3 Q. Okay. If you look at -- and that's because
4 you would need to know -- you would need to do a
5 formal due diligence, including looking in the data
6 room and doing your own research and analysis; is that
7 correct?

8 MS. LAW: Objection to form.

9 THE WITNESS: That's correct.

10 BY MR. WOLINSKY:

11 Q. Now, if you look at Paragraph 45 of the
12 Complaint, which is Exhibit 3. Tell me when you're
13 there?

14 MS. LAW: Robert, I don't know if the
15 background noise that you hear is yours, and if it is,
16 that's fine. If it's not, I would just ask everyone
17 else who is participating to mute themselves.

18 MR. WOLINSKY: I think, unfortunately, it's
19 mine.

20 MS. LAW: Okay. We get it.

21 (The witness reviewed the document.)

22 BY MR. WOLINSKY:

1 A. We do have that process as part of our due
2 diligence, yes.

3 Q. Are you responsible for that part of the due
4 diligence?

5 A. Well, ultimately, I was responsible for the
6 deal. I had help, and we have a compliance officer
7 who actually would review it and make sure it was
8 okay.

9 Q. Okay. Who was that compliance officer?

10 A. Carla.

11 Q. Vogel.

12 A. Vogel. Thank you.

13 Q. Okay.

14 MS. LAW: If you're about to start a new
15 topic, do you mind if we take a quick bathroom break?

16 MR. WOLINSKY: Sure.

17 MS. LAW: 11:15?

18 THE VIDEOGRAPHER: The time is 11:03 a.m.

19 This ends Unit No. 1. Off the record.

20 (A recess was taken from 11:03 a.m.

21 to 11:17 a.m.)

22 THE VIDEOGRAPHER: The time is 11:17 a.m.

1 pension funds. This was a club we wanted to enter,
2 but Petrobras ran this show.

3 Q. When you say, "this is a club we wanted to
4 enter," what "club" are you referring to?

5 A. That if you're going to do business in
6 Brazil, you could not have a better group of
7 counterparts than the ones that existed in Sete
8 Brasil.

9 Q. Okay. Are you familiar, on behalf of EIG, of
10 the ownership structure of Sete Brasil?

11 A. I mean I knew those numbers off the top of my
12 head a while back. I remember we owned 6.3 percent.

13 Q. Okay.

14 A. I remember BTG Pactual was the largest
15 shareholder. Petrobras, I think, had 10 percent,
16 et cetera.

17 Q. So Petrobras was not even the largest
18 shareholder in Sete Brasil; correct?

19 A. Yes. Robert, we've already established that,
20 but there's a lot more to it than that.

21 Q. Okay. And --

22 A. If you want to beat down on 10 percent and

1 A. No. Ferraz, of course, but --

2 Q. And then -- well, Mr. Ferraz worked for Sete
3 Brasil; correct?

4 A. That's correct.

5 Q. And if you look at the first page of
6 Exhibit 10 the second E-mail, the middle E-mail from
7 Mr. Hong at Lakeshore says, "Dear CIC Team,
8 "Please find attached Sete Brasil's updated
9 infomemo in English. It was also updated to the
10 dataroom." Do you see that?

11 A. Yeah.

12 Q. Okay. And then you turn around and send it
13 to Mr. Lowder and Mr. Hayden. Do you see that on the
14 top E-mail?

15 A. Yes.

16 Q. Okay. What were Mr. Lowder and Mr. Hayden's
17 roles at EIG with respect to the Sete investment?

18 A. Well, Kevin became very involved in it as the
19 transaction went along and became the primary, let's
20 say, numbers guy, if you will. And Simon, who was in
21 London, was brought in to assist us because it was a
22 very massive project. There was a lot of information.

1 Q. Okay. What kind of due diligence did you do
2 on the shipyard sponsors?

3 A. Well, we would have obviously taken the
4 information that was in the infomemo on who they are,
5 and then we would have looked at the individual
6 shareholders of each of these shipyards. A couple of
7 them were already operating, so it was a little
8 easier, and then the others you had to take a view
9 that these are big companies that know what they're
10 doing and they're going to be able to build these
11 shipyards and fulfill the contracts that they were
12 entering into with Sete.

13 Q. And in terms of your diligence on them, why
14 were you doing diligence on the shipyard sponsors?

15 A. Well, I mean that was one of the risks that
16 we had identified, which is delays of construction and
17 cost overruns. So we wanted to get a sense that we
18 were dealing with counterparts who would not have too
19 many issues in that area.

20 Now, of course, this is a rather subjective
21 analysis because you never know until you're actually
22 building these very sophisticated machines.

1 A. Yes.

2 Q. Okay. Why were you sending this information
3 to the China Investment Corporation?

4 A. Well, it goes back to the earlier discussion
5 we had on how Sete was thinking of asking for
6 additional overseas investors, and we were continuing
7 the dialogue that we already started with CIC.

8 Q. Okay. And, you know, at least the investment
9 recommendation and some of the Brazilian counsel notes
10 are, you know, internal documents. Why was EIG
11 willing to share those internal documents with CIC?

12 MS. LAW: Objection to form.

13 BY MR. WOLINSKY:

14 Q. To the extent you know, why was EIG willing
15 to share these documents with CIC?

16 MS. LAW: Same objection.

17 THE WITNESS: I don't know. You'd have to
18 ask my superiors at EIG at the time.

19 BY MR. WOLINSKY:

20 Q. So you sent these documents to CIC at someone
21 else's direction?

22 A. Yes. I can say that CIC at that point was --

1 I don't know if it had already happened. They were
2 investing in EIG. They were an extremely important
3 client, and we had approached them about an interest
4 in basically co-investing with us. So we would have
5 been very open with our information with that.

6 Q. Okay. And who would have directed you to
7 send this to them?

8 A. I don't remember getting permission, but --

9 MS. LAW: Objection to form.

10 THE WITNESS: I'm sorry.

11 MS. LAW: I just wanted to make sure the
12 objection was noted on the record.

13 THE WITNESS: Robert, I don't know the answer
14 to that.

15 MR. WOLINSKY: Okay. Fair enough.

16 Okay. Let me get the next document up.

17 (Deposition Exhibit 21 was marked for
18 identification.)

19 MR. WOLINSKY: Exhibit 21.

20 Q. This is the "Energy FUND XIV Investment
21 Recommendation" for 250 million reais of common
22 equity. It's dated June 27, 2011.

1 Have you seen this document before?

2 A. Yes. I had a big part in preparing it.

3 Q. Would you say that you were the lead person
4 in preparing it?

5 A. Yes. I was viewed as the lead within EIG.

6 Q. Okay. Can you tell me what the purpose of
7 this document is?

8 A. The purpose of the document is to bring
9 together the months of due diligence we've done and
10 the thousands of pages of documents we've sifted
11 through and models we've analyzed and try to summarize
12 it into a presentable document that is sent to our
13 investment committee, and they then read it and vote
14 to approve this -- the investment.

15 Q. So is it fair to think that you read and
16 approved of every word in this before it was
17 finalized?

18 A. Yes.

19 Q. And is there a template or a specific set of
20 requirements for investment recommendation to an EIG
21 fund?

22 A. Yes. I mean there's some ability to tailor

1 Q. Would you have relied on inputs from anyone
2 else to draft this section?

3 MS. LAW: Objection to form.

4 THE WITNESS: Well, only the information
5 memoranda given to us by Santander and Caixa Economica
6 Federal, which had their own discussions on risks and
7 mitigants.

8 BY MR. WOLINSKY:

9 Q. So would you do your own independent analysis
10 of risks?

11 MS. LAW: Objection to form.

12 THE WITNESS: Yes. We had done that as well,
13 but I'm saying the source of those documents were
14 those info memos.

15 MS. LAW: Objection.

16 BY MR. WOLINSKY:

17 Q. And would you also have relied on advice of
18 your own counsel in considering the risks and
19 mitigants?

20 MS. LAW: Objection to form, and I instruct
21 the witness to the extent he is talking about
22 discussions with counsel, he can say "yes" or "no"

1 without revealing the substance of any such
2 discussion.

3 THE WITNESS: Yes. Counsel was involved in
4 our analysis.

5 BY MR. WOLINSKY:

6 Q. Okay. Did you consider including in the
7 risks and mitigants section any risk of unlawful
8 conduct, corruption, or bribery?

9 A. No, because I didn't think it existed in this
10 case.

11 Q. Well, so those answers are contradictory.
12 Let's unpack it a little bit.

13 So you said you didn't consider it, and you
14 said -- but you then said you didn't know it existed.
15 So my question really is did you consider whether
16 there was a risk of corruption, bribery, kickbacks?

17 MS. LAW: Objection to the question.
18 Objection to the mischaracterization.

19 MR. WOLINSKY: The objection to the question
20 isn't a legitimate objection. What's the objection,
21 Counsel?

22 MS. LAW: You started with saying how the

1 testimony was inconsistent with each other. If you
2 want to ask a question, ask him a question but don't
3 characterize things.

4 MR. WOLINSKY: Fine. I'll let you lead him.
5 Go ahead.

6 MS. LAW: Is there a question for him to
7 answer?

8 MR. WOLINSKY: Yes.

9 MS. LAW: I'm asking the witness if there's a
10 question he's answering.

11 MR. WOLINSKY: Stop interrupting the witness
12 so that he can answer the question.

13 MS. LAW: Kevin, do you know what question
14 you're answering?

15 THE WITNESS: No, please repeat it.

16 MR. WOLINSKY: Good job, Kerri.

17 Q. So Mr. Corrigan, when you wrote this risks
18 and mitigants section did you consider whether there
19 was any need to address the risk of bribery,
20 corruption, or other unlawful conduct?

21 A. The way I would answer that is we would have
22 considered corruption as a potential risk before we

1 even embarked on any transaction.

2 The reason we didn't think this was an issue
3 in this case is because we were teaming up, as I had
4 indicated earlier, with the A team of Brazil.
5 Petrobras, the largest pension fund, et cetera. This,
6 to us, was a AAA rated credit profile and risk
7 profile, and I had worked personally for over 30 years
8 with Petrobras and never had any whiff of corruption
9 with any interactions I ever had with that company.

10 So we wouldn't have even gone beyond Step 1
11 if this was going to be a risk that I would have to
12 talk about. So that's why it doesn't appear in our
13 risks and mitigants. These are more
14 commercially-oriented risks. The big picture risk is
15 dealt with right off the bat.

16 Q. Other than what you just described, are there
17 any other reasons you did not believe that there was
18 any risk of corruption, unlawful conduct, bribery, or
19 kickbacks?

20 A. No. That pretty much summarizes why I
21 thought we were getting into a clean transaction.

22 Q. Okay. Does the EIG operating procedures for

1 A. No. There was a formal meeting and an oral
2 presentation.

3 Q. Approximately how long did the presentation
4 last with respect to the investment recommendation for
5 Sete Brasil to Fund XIV?

6 A. These typically lasted 45 minutes to an hour.
7 (Telephonic interruption.)

8 THE WITNESS: Sorry about that.

9 45 minutes to an hour.

10 BY MR. WOLINSKY:

11 Q. Okay. Did -- to your memory, did anyone,
12 during the investment committee discussion, ask about
13 any risks of unlawful conduct including bribery,
14 corruption, or kickbacks?

15 A. I don't recall that there was any such
16 discussion.

17 Q. Okay. Have you ever been involved in any
18 investment committee meeting at EIG where there was a
19 discussion of the risk of unlawful conduct of any
20 kind?

21 A. No, because that transaction would never have
22 gotten that far. If there was any real worry that we

1 were going to make an investment and then have it blow
2 up in our face over a corruption scandal, it just
3 doesn't get that far.

4 Q. Would the decision as to the assessment of
5 the risk of unlawful conduct be yours to make with
6 respect to Sete Brasil, or would you have to pass it
7 up to other people more senior than you to make that
8 decision?

9 MS. LAW: Objection to form.

10 Robert, you keep using "would." Is that the
11 word you want to choose?

12 MR. WOLINSKY: Let me look at my sentence.
13 Yeah. It should have been was.

14 Q. Was the decision, as to the risk of unlawful
15 conduct yours to make with respect to the Sete Brasil
16 investment recommendation?

17 A. Well, I was the lead proponent of this
18 transaction. So people would have looked at me to vet
19 those kinds of risks, and I felt confident that we
20 were getting into a transaction that was not going to
21 be subject to those kinds of risks.

22 Q. Have you ever done -- have you ever raised --

1 thought could be subject to a scandal of that nature.

2 BY MR. WOLINSKY:

3 Q. Does EIG have specific standards that it
4 applies when evaluating the risk of unlawful conduct,
5 including bribery and corruption, in evaluating
6 potential investments?

7 MS. LAW: Objection to form.

8 THE WITNESS: Well, we have the review that I
9 just mentioned a minute ago of companies and
10 individuals, but of course, you know, we had a code of
11 conduct where you're not supposed to engage in any
12 unlawful activities, and by extension, bring any
13 unlawful transactions into the company. I mean it's a
14 bit of a legal question, and perhaps a lawyer should
15 respond to that.

16 BY MR. WOLINSKY:

17 Q. I'm not asking it from a legal perspective.
18 I'm asking when you did the Complinet search and you
19 got the results, it doesn't come back and say, "Yeah,
20 this deal is going to have unlawful" -- it gives you
21 information. So my question is what standard -- does
22 EIG have standards or rules that you are supposed to

1 apply in evaluating that Complinet information?

2 MS. LAW: Objection to form.

3 You can answer.

4 THE WITNESS: Well, you look at the results
5 of the Complinet search, and if you saw something that
6 said, "Joao Ferraz was taking bribes," then the
7 transaction would have died, but it did not reveal
8 such standards or results.

9 So to answer your question, we don't try to
10 bring crooked transactions to our investment
11 committees. There's no standard. The standard is we
12 don't allow it. We don't permit it. We don't engage
13 in it or pursue transactions that we think have a risk
14 of having corrupt individuals behind it running it.

15 BY MR. WOLINSKY:

16 Q. The question is how do you evaluate that
17 risk. If Complinet doesn't say the lead player is a
18 crook, is that good enough?

19 MS. LAW: Objection to form.

20 THE WITNESS: That's the end process at the
21 very beginning, as I've indicated earlier. You're
22 making an assessment of your counterparties, and I

1 document is slightly different. It's more of a
2 landscape, as opposed to the portrait. So I just want
3 to make sure you can see the entirety of the document.

4 THE WITNESS: Yeah. Well, I can see it was
5 prepared by Machado Meyer.

6 I'm sorry, Robert. The question?

7 BY MR. WOLINSKY:

8 Q. What is this document?

9 A. Well, it looks like a preliminary analysis by
10 Machado Meyer of their review of this transaction in
11 June of 2012.

12 Q. They would have done that for EIG?

13 A. Yeah. Machado Meyer were our attorneys.

14 Q. Okay. And so they were asked to put together
15 a risk matrix; is that correct?

16 A. It looks like it.

17 Q. Okay. And you shared that risk matrix with
18 CIC; correct?

19 A. This particular one? I know we shared our
20 investment recommendation. Was this part of what --

21 Q. Yes. There was attached.

22 A. All right. Okay.

1 MR. WOLINSKY: Let me ask you -- let me give
2 you the next one. I've got a spinning circle. I
3 don't know what to do about that.

4 (Pause in proceedings.)

5 MR. WOLINSKY: You're about to see
6 Exhibit 24.

7 (Deposition Exhibit 24 was marked for
8 identification.)

9 MR. WOLINSKY: This is the "Energy Fund XV
10 Investment Recommendation" for 250 million reais
11 common equity investment dated September 16, 2011.

12 Q. Do you see that?

13 A. Yes.

14 Q. Were you also the principal author of this
15 document?

16 A. Yes.

17 Q. Okay.

18 A. There was a lot of copy and paste.

19 Q. That's what I was about to ask is are there
20 material differences between this document and the
21 investment recommendation that was done for Investment
22 Fund XIV?

1 A. Well, not having read through both of them
2 now and having done this close to 10 years ago, I'm
3 saying no, there were not. There would have been
4 tweaks.

5 Q. What kind of tweaks would you make?

6 A. Well, I don't think there have been any
7 tweaks in the --

8 MS. LAW: Objection to form.

9 THE WITNESS: I'm sorry, Kerri?

10 MS. LAW: Objection to form.

11 You can continue.

12 THE WITNESS: Okay.

13 I would have typically made updates on any
14 updated operational issues, like construction
15 progress, things of that nature, and there may have
16 been some adjustments to the model. But in terms of
17 the description of the transaction, the risk and all
18 that, nothing had changed.

19 BY MR. WOLINSKY:

20 Q. And this document as well does not, it's
21 silent with respect to the risk of unlawful conduct,
22 including corruption, bribery, and kickbacks; correct?

1 Why did you choose that number?

2 A. I don't remember how we went from 100- to our
3 final number. That would have been an iterative
4 process based on, you know, ongoing negotiations.
5 This is still fairly early -- well, reasonably early
6 in the process. So I think at that point that's
7 probably what we had been told by Lakeshore that we
8 should expect to be an investment amount.

9 Q. Okay. And then you list nine possible risks
10 and mitigants. Do you see that?

11 A. Yes.

12 Q. And at this point in time, March 2, 2011, you
13 had not done anything to evaluate potential risk of
14 unlawful conduct, including bribery, corruption, or
15 kickbacks; correct?

16 MS. LAW: Objection to form.

17 You can answer.

18 THE WITNESS: Well, we have a disagreement on
19 that because this memo -- we wouldn't have even got
20 into this point if we had even a whiff of such a
21 preoccupation. So we had already decided this was a
22 great investment and we wanted to do it, and you don't

1 go down that road if you think you're going into a
2 corruption scheme. It just wouldn't happen.

3 So the fact that this doesn't address that
4 risk is because it would have been discarded based,
5 again, on the counterparties involved in this
6 transaction.

7 BY MR. WOLINSKY:

8 Q. Okay. As of March 2, 2011, what affirmative
9 steps, if any, had anyone at EIG taken to evaluate any
10 risk of unlawful conduct as it related to the Sete
11 investment?

12 A. Robert, I think we discussed this earlier.
13 There would not have been a formal vetting of let's --
14 you know, if there are risks here. We looked at the
15 transaction from a commercial standpoint. We then
16 said, "Oh, look. It's Petrobras all over. We've got
17 these funds," big shipyards. We would not have
18 pursued it beyond that very initial phase if we
19 thought there was going to be some huge payment scheme
20 involved.

21 Q. Well, what --

22 A. I mean I guess you could say I decided that.

1 MR. WOLINSKY: Okay. Well, so first of all,
2 Kerri Ann, we request the document that he indicated
3 would exist that would show the amounts and the timing
4 of the distributions of investments in Sete Brasil.

5 MS. LAW: I don't think he said that a
6 document exists. He thought there might be a document
7 that exists. We'll endeavor to look for it, but you
8 have other documents that provide with you the same
9 information. But you should put it in your letter,
10 and we'll respond accordingly.

11 MR. WOLINSKY: What documents are you
12 referring to, Kerri Ann?

13 MS. LAW: The wire transfers.

14 MR. WOLINSKY: Okay.

15 Q. And Mr. Corrigan, as of June 30, when you
16 left EIG, you were unaware of the conduct by any --
17 you were unaware of Operation Lava Jato; right?

18 A. Correct.

19 Q. Yet Sete Brasil was having significant
20 financial and operational problems. Isn't that right?

21 MS. LAW: Objection to form.

22 THE WITNESS: I don't view the term

1 "significant" as adequate factual statement. The -- I
2 worked on many transactions over 37 years of finance,
3 and while this may seem like it was complicated and
4 difficult, which it was, to me it was not out of the
5 ordinary, the issues we were encountering as this went
6 along.

7 MR. WOLINSKY: Okay. Let's look -- let me
8 pull up the next document then.

9 (Deposition Exhibit 36 was marked for
10 identification.)

11 MR. WOLINSKY: All right. You're about to
12 see Exhibit 36.

13 THE WITNESS: Okay. I'm on it.

14 BY MR. WOLINSKY:

15 Q. Are you familiar with this E-mail exchange?

16 THE WITNESS: Let me refresh my memory here.

17 (The witness reviewed Exhibit 36.)

18 THE WITNESS: Yes, I painfully remember this.

19 BY MR. WOLINSKY:

20 Q. You "painfully remember." Is that what you
21 said?

22 A. Yep.

1 Q. This has your E-mail summary of the board
2 meeting that we were just talking about, and then
3 Mr. Talbot forwards it on to Randall Wade. Mr. Wade
4 was a COO of EIG; is that right?

5 A. Yes.

6 Q. Is there a reason why you didn't copy him
7 originally?

8 A. I mean there's no particular reason, just
9 forgot.

10 Q. And you just said, "FYI, quite a different
11 story than what we've been told heretofore."

12 Do you see that?

13 A. Right.

14 Q. Okay. Do you agree with that statement?

15 A. Well, again, he's the chief investment
16 officer. I just sent some bad news, and it's almost
17 an I told you so, but...

18 MR. WOLINSKY: Got it. One more I want to
19 show you, and then we'll take a break.

20 (Pause in proceedings.)

21 MR. WOLINSKY: Here's Exhibit 38.

22 (Deposition Exhibit 38 was marked for

1 identification.)

2 THE WITNESS: Robert, I think I -- this is
3 not important, but I think I said Magela had been at
4 BP, but I think it's BG.

5 BY MR. WOLINSKY:

6 Q. Okay.

7 A. Sorry.

8 Q. That's fine. So at the risk of getting
9 crosswise with Kerri, this has one line of Portuguese.

10 MS. LAW: I think my Spanish helps me with
11 that one.

12 BY MR. WOLINSKY:

13 Q. Well, let's do this. Mr. Corrigan, what did
14 you say to Mr. Reis in the top E-mail.

15 A. Hold on. It's 38 we're looking at?

16 Q. Yeah.

17 A. Okay. Here it is. All right.

18 For your information and as discussed, hugs,
19 Kevin.

20 Q. And why did you send -- and what you sent him
21 was your description of the last board meeting --

22 A. Right.

1 Q. Looking at -- looking at Topic 17,
2 communications between EIG and Santander, BNDES,
3 et cetera, you mention you and Mr. Thomas had several
4 meetings with BNDES. Other than those meetings, did
5 EIG have any direct communications with BNDES in
6 connection with making -- with its decision to make
7 the loan or invest in Sete?

8 A. No.

9 Q. Okay. Who did EIG communicate with at
10 Santander about -- to receive information that it used
11 in deciding whether to make the loan or invest with
12 Sete?

13 A. Well, Santander, its financial advisor gave
14 us access to the data room --

15 Q. Okay.

16 A. -- which obviously Petrobras authorized.

17 Q. Okay. Did you have -- has EIG had any
18 communications with any politician or government
19 employee relating to its decision to make the loan or
20 to invest in Sete?

21 A. No.

22 Q. Has EIG had any communications with any

1 to 6:11 p.m.)

2 THE VIDEOGRAPHER: The time is 6:11 p.m.

3 We're back on the record.

4

5 EXAMINATION

6 BY MS. LAW:

7 Q. Mr. Corrigan, this is Kerri Ann Law speaking.

8 I just have a few questions for you this evening. I'm

9 going to ask Ms. Pak to put up the translation of a

10 document Bates stamped EIG00141814 through -15.

11 (Deposition Plaintiff Exhibit 1 was marked for
12 identification.)

13 BY MS. LAW:

14 Q. And Mr. Corrigan, I'm going to ask you if you
15 can tell us what this document is.

16 MR. WOLINSKY: Objection. Foundation.

17 BY MS. LAW:

18 Q. You can answer.

19 A. That looks like the index to the data room
20 that we used for this transaction.

21 Q. Okay. And do you see that there are 18 items
22 listed on this document?

1 A. I do.

2 Q. And did you review the 18 documents listed on
3 this document?

4 A. Yes. Or I had colleagues helping me do it,
5 but yes, EIG reviewed the whole shebang.

6 Q. Okay. And did you rely on the 18 documents
7 listed on this exhibit in making the decision to
8 invest in Sete?

9 MR. WOLINSKY: Objection to the form.

10 BY MS. LAW:

11 Q. You can answer.

12 A. Yes we did.

13 Q. Looking at this index, is there anything that
14 is not on this index that you recall being in the data
15 room?

16 A. Well, under 11 it says information
17 memorandum, and we actually had two information
18 memorandum. One prepared by Santander on behalf of
19 Petrobras, and one prepared by Caixa Economica Federal
20 and their role was FIP administrator, and we used both
21 of those documents.

22 Q. Did you review both of those documents?

1 A. Thoroughly.

2 Q. Did you rely on both of those documents in
3 making the decision to invest in Sete?

4 A. Yes, we did.

5 MS. LAW: I have no further questions for
6 this witness.

7 MR. WOLINSKY: I have redirect.

8

9 FURTHER EXAMINATION

10 BY MR. WOLINSKY:

11 Q. Mr. Corrigan, before today, have you seen the
12 documents on the screen currently?

13 A. The index or each individual --

14 Q. The index in paper form like it's appearing
15 on the screen?

16 A. Yes.

17 Q. Okay. When?

18 A. Either yesterday or the day before when we
19 were preparing.

20 Q. So this was -- is that the first time you had
21 seen that document?

22 A. Yes, because it was done in the context of

1 the 30(b), whatever, preparation.

2 Q. So just to be clear, the first time you saw
3 the Document Plaintiff's Exhibit 1 was in October of
4 2012; correct?

5 A. In this form.

6 Q. Okay. Now, earlier today, you saw a document
7 that said that there were over 30 folders of
8 documents -- let me ask a slightly different question.

9 With respect to the document Plaintiff's
10 Exhibit 1, do you know what the date is of that
11 document?

12 A. Of the document I'm looking at right now?

13 Q. Yes.

14 A. No, I don't know when they prepared it.

15 Q. Okay. The data room wasn't static, was it?

16 A. Well, no. That FIP administrator infomemo
17 was added after we first looked at it.

18 Q. And lots of other things were added as well;
19 right?

20 A. Yes. That's correct.

21 Q. In fact, we looked at a -- we looked at a
22 document earlier today where one of your colleagues

1 Q. It doesn't give a date for what document it's
2 referring to, does it?

3 A. No.

4 Q. Okay. And it's only referring to one
5 document is your view?

6 A. I believe No. 11, that's correct.

7 Q. Okay. So and is that true for all of these?

8 A. I'm not sure. I don't know.

9 Q. Okay. So, for example, No. 16 investment
10 agreement draft. Is there one draft there, more than
11 one draft?

12 A. Again, Robert, I'd have to go back and look
13 at the original. This was just intended to show the
14 documents that we looked at and relied on when we made
15 the investment.

16 Q. So other than your belief that you looked at
17 everything in the data room or relied on everything in
18 the data room, you can't know for sure which of the
19 documents listed on this exhibit you actually looked
20 at or relied on. Isn't that correct?

21 MS. LAW: Objection to form.

22 THE WITNESS: Well, I didn't think this was a

1 memory test, and just because I'm not remembering
2 right now, but I can assure you we would have looked
3 at everything in the data room when we were given
4 access to it.

5 BY MR. WOLINSKY:

6 Q. Okay. So it's not usually a memory test, but
7 your memory was perfect when Ms. Law asked you
8 questions, and then it's failing when I do.

9 If you look at No. 8, 8A project Sete
10 financial model V-1. How many project Sete financial
11 models were in the data room?

12 MS. LAW: Objection to the form.

13 THE WITNESS: Over time there were many
14 versions of the financial model.

15 BY MR. WOLINSKY:

16 Q. Okay. And No. 10, return on investment
17 scenarios. How many return on investment scenarios
18 were in the data room?

19 A. Well, again, over time, you know, you start
20 out with one, and then it's a moving document over
21 time.

22 Q. But it's fair to say that looking at this

1 MS. LAW: You may now continue.

2 MR. WOLINSKY: I don't agree to that.

3 MS. LAW: All right.

4 BY MR. WOLINSKY:

5 Q. Mr. Corrigan, looking at this document and
6 not telling me anything that your lawyers told you, do
7 you have any information you can share about what date
8 this document is from?

9 A. No, there's no date on it.

10 MR. WOLINSKY: Okay. I have nothing further.

11

12 FURTHER EXAMINATION

13 BY MS. LAW:

14 Q. Mr. Corrigan, did you are review the
15 documents -- withdrawn.

16 Mr. Corrigan, did you or someone per your
17 direction review the documents that were in the data
18 room concerning the Sete deal?

19 A. Back in 2010, yes.

20 Q. And did you rely on those documents that
21 were -- that you reviewed in connection with making
22 the investment decision?

1 MR. WOLINSKY: Objection to form.

2 BY MS. LAW:

3 Q. You may answer.

4 A. Yes.

5 MS. LAW: I have no further questions.

6 MR. WOLINSKY: Okay.

7 MS. LAW: I guess we are done.

8 MR. WOLINSKY: Yep. Other than you have to
9 arrange to make this part of the record somehow, but
10 I'll leave that to you.

11 MS. LAW: We will handle that.

12 MR. WOLINSKY: Okay. I'm still waiting for
13 deposition dates on a bunch of witnesses.

14 MS. LAW: I think we can go off the record
15 now.

16 MR. WOLINSKY: No. No. I want to finish on
17 the record.

18 I'm still waiting for a deposition dates for
19 a bunch of witnesses. I hope to get those soon and
20 not one at a time.

21 MS. LAW: We appreciate that we have given
22 you dates and you have taken a long time to get back